SOCIALISM'S NEW BEGINNING

JAMES ONEAL

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by

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James Oneal, whose life has been dedicated to the cause of American labor and the socialist movement, is one of the most distinguished of American socialist journalists. Born in Indianapolis in March 13, 1875, he was active in building the American Socialist Party from its origin, and participated in the great labor struggles that marked the industrial scene over the past half-century.

The son of an iron puddler, James Oneal was forced to leave school after he had completed the sixth grade. He was employed as an iron and steel worker, and in 1897 he joined the steelworkers union and the Social Democracy, one of the forerunners of the Socialist Party. Subsequently, he was a speaker and a writer for the Socialist Party and editor of various socialist publications, including the New York Worker and the New York Call. He was state secretary of the Socialist Party in Indiana; as a thirty year resident of Terre Haute, he became a close friend and companion of Eugene Victor Debs.

In 1924 he became editor of the New Leader, then the official publication of the Socialist Party. He remained as editor of the New Leader until his resignation in 1940. Now living in retirement in California, Mr. Oneal has recently completed two studies, "The Backgrounds of Political Conflict," and "Moscow's Marx, the History of a Hoax."

His published works include "The Workers in American History," "American Communism: A Critical Analysis of its Origins, Development and Programs," and "A History of the Cutters Union, Local 10, ILGWU." He has also written many pamphlets, including "Militant Socialism," "Labor in England and America," "Socialism vs. Bolshevism," and "The Next Emancipation."

The End of an Epoch

This pamphlet is dedicated to the veterans, the youth, and the friends of American Social Democracy. We Socialists of the United States rejoice that, after a half-century of educational work, we have won a notable victory. An old task is partly finished, a new one confronts us.

* * *

CONSIDER THE EPOCH that ended with the election of 1956.

Democratic Socialists united in 1901 and carried on a vigorous crusade for a human welfare program quite in contrast with the programs of the ruling parties. All the wit, stupidity, wealth and prejudice of capitalist power were ranged against us. Many lost health, friends and social prestige in this work. Some went to jail in communities where prejudice was hot and democracy cool. In some notable economic struggles lives were lost. We buried our dead and pressed on, confident that history would vindicate our cause.

Slowly the old order yielded concessions although conservative ideology persisted, an ideology that served the exploiters of useful labor on farm, in industry, trade and the professions. While promoting the welfare of big business in industry and finance in legislative halls, politicians servile to these giant interests opposed human welfare proposals on the ground that this course would undermine "thrift" and the "initiative" of the working masses. Reactionary publicists of powerful exploiters called such welfare proposals "creeping socialism."

The noted Englishman, Herbert Spencer, and the American, William Graham Sumner, philosophers of anarcho-capitalism, provided our ruling Babbitts and their politicians, with a "scientific" defense of the old order that was being washed

away by tremendous economic changes. The corporate enterprise of our time bears no resemblance to the private enterprise of the nineteenth century. An economic revolution has so transformed industry that our welfare program became absolutely essential if rural and urban workers were to avoid sinking into a corporation serfdom.

The Impact of 1929

Nevertheless, the nation drifted while we continued to urge our social philosophy and program. Not until the economic collapse of 1929 did millions of its victims awaken to the fact that capitalism is afflicted with a dangerous disease. There had been other economic depressions and many economists interpreted them in terms of what is called the "business cycle." It was a comforting theory for our industrial barons but disastrous for the underlying population of useful workers. Its interpreters asserted that a cycle of boom, decline and bust was an inherent phase of capitalist enterprise and mankind must become reconciled to it. Admission that the system is certain to break down at uncertain periods is a terrific indictment of it but the interpreters also added that for government to interfere when capitalism is postrate would be fatal to its recovery. "Natural law" would permit a healing process automatically to bring a restoration of normal production and distribution. Government must not interfere with the sacred dogma. Let the crisis drift and await the return of boom.

Socialists agreed that periodical industrial crises are typical of capitalist production but they insisted that as the economy developed the ordinary crisis would eventually become an extraordinary breakdown that would paralyze the whole system and require intervention by government if normal production were to revive. Events verified our contention. The crisis was not an ordinary depression. It was a tragic collapse of the whole capitalist order. Millions of workers were hurled into idleness, veterans sold apples in the streets, small business firms folded, money disappeared in many communities, paper script displaced

coin, and the new President closed the banks for five days. Socialist forecasts were tragically fulfilled. The old policy followed in previous depressions was abandoned. The masters of finance and industry had failed. They and their political retainers had for three years advised optimism, declared that curative factors inherent in the economy would automatically heal the malady.

The Indictment of Capitalism

Facing national ruin, the new president in his inaugural address indicted the discredited and frightened masters, declaring they "have admitted their failure and have abdicated. . . . Stripped of the lure of profit by which to induce our people to follow their false leadership, they have resorted to exhortations, pleading tearfully for restored confidence. . . . They have no vision, and when there is no vision the people perish."

Bankrupt of ideas, fearful of the future, the discredited Babbitts sent their agents to Washington pleading for action that would save them and their ruined economy. The result was the many measures now known as the New Deal. They were a repudiation of the dogma that government should not interfere with the "natural" laws of capitalism.

It is unnecessary to enumerate those measures but it is important to note that our view of the tragic breakdown of capitalist production and the measures adopted to bring recovery and relief for millions of human beings constitute two victories for the American Socialist movement. Our theory of depressions was vindicated, and much of our program of social justice for urban and rural workers was enacted into law.

Unaware that a profound revolution was under way, millions approved the new social ideology. Voters would not accept "creeping socialism" from our movement but they accepted it from others in an era of distress. Why? Abraham Lincoln once gave the answer. Lincoln said:

It looks as if the first reformer of a thing has to meet such a hard opposition and gets so battered and bespattered that afterwards, when people find they have to accept this reform, they will accept it more easily from any other man.

Other third party movements had the same history as the Socialists. The Liberty and Free Soil parties pioneered in the struggle against yielding more territory to the owners of slaves. Several decades later, the issue was triumphant in the success of another party; chattel slavery disappeared. In the Granger and Populist movements despoiled farmers revolted against their despoilers, and some of their leading demands were later enacted into law. The Socialist movement has completed a similar cycle. Rejoicing in our success we turn to new tasks and new duties.

An Analysis Vindicated

American economic history has also vindicated our view regarding the trend toward monopoly in industry. Many economists in the nineteenth century contended that concentration of capital in industry would never create monopoly in that field. They asserted there were two types of monopoly, natural and artificial. Natural monopolies appear in transportation and communication because these services are national in scope and competition is not possible nor essential on any extensive scale. As effective competition is not possible, railroads, telegraphs, telephones and other services of a national character develop a monopoly trend. The same is true of municipal services such as transport, water, electric power, gas, etc. All that society can do, the economists declared, is to own or regulate these natural monopolies.

Artificial monopolies, the economists declared, are those granted by law. These include the chartered and proprietary organizations that were granted extensive economic privileges by European kings in settling the American colonies. They were commercial organizations and ventures and had more to do with migration to the western world than religious persecution abroad. These monopolies enriched favorites with vast land grants and some were devoted to the slave trade in African blacks and European whites who were sold into servitude on this side of the Atlantic. Another type of artificial monopoly

has consisted of chartered privileges by municipal bodies to favorite investors. Natural and artificial monopolies as described above are phases of economic history. We have no quarrel with this history.

The Emergence of Monopoly

But the contention of nineteenth century economists that industry cannot produce monopolies has been completely discredited by history, while the Socialist view that it has an inherent trend toward monopoly has been verified by the economic history of a half-century. At the turn of the present century the emergence of industrial corporations, monopolistic in character, was evident and the pattern of competition changed. Ruthless competition of the older type, representing jungle warfare at its worst, declined. New forms developed but the worst forms of competition continued. These included the well-known practices of cutting prices in one locality to meet competition while recouping in another, the operation of bogus "independent" concerns to maintain the fiction of competition, the pushing of special brands at a loss to drive out rivals, the insistence upon "tying clauses" or exclusive arrangements, the securing of rebates and preferential agreements, and the use of boycotts, espionage, coercion and intimidation. In short, all the shady and illegal practices and bullying methods were used which the big and strong can employ against weaker competitors. Practices were employed ruthlessly by such virtual monopolies as the Standard Oil Company, the National Cash Register Company, and many others.

Moreover, the patent system, conferring on inventors the exclusive right for 17 years "to make, sell, lease or withhold from use any invention," promoted the growth of monopolies. The most notorious of this type was the United Shoe Machinery Company, which obtained practically all patents to machines used in manufacturing shoes and, preferring to lease rather than sell its machines, became the feudal overlord of the shoe in-

dustry. As the patent system permitted accumulation of patents without an obligation to use them, this also favored monopoly.

Reports of the Senate Patents Subcommitte in January, 1957, make clear the advantages to corporations in this field. The individual inventor has little chance of success in competition with the research organizations of corporate enterprise, and they lack the equipment and funds necessary to realize on an invention. Moreover, the small company is out of luck in attempting to market an invention, since giant corporations can bring "infringement suits" that force surrender. The giants are also known to buy and suppress patents that would harm big vested interests.

The monopoly trend of American capitalism had become so obvious even in the first decade of this century that Albion W. Small, the noted University of Chicago sociologist, declared that "the march of human progress is being reduced to marking time in capital's chain gang." It is a fact that the destroyers of private enterprise are not New Dealers, Collectivists or Socialists, but the masters of giant billion dollar corporations. The modern organizations of industry are corporation collectives built on the ruins of private competitive capitalism and mankind is now faced with the issue of democratic collectivism versus corporation collectivism. The reigning kings of enterprise have themselves forced this issue upon the underlying population of wage workers, working farmers, small producers and traders, professional men and others at the mercy of this corporation giantism.

The Industrial Revolution and its Impact

SOCIAL DEMOCRATS are not alone in recognizing this tremendous industrial revolution, with its disastrous impact on small business and its threat to the liberty of the working population. Many non-socialists are aware of it. A special message by President Roosevelt on April 29, 1938, presented an alarming picture of what was happening. The following June a joint resolution of Congress created the Temporary National Economic Committee which held extensive hearings. The committee published 31 volumes, six supplements and 43 monographs reporting its conclusions which substantiated President Roosevelt's special message. Outstanding was the President's statement that by 1938 one-tenth of one per cent of all corporations reporting owned 52 per cent of all their assets and that less than four per cent earned 84 per cent of all the net profits of all of them. Noting that depressions serve as a hot-house for increased concentration of capital and crushing of small enterprises, the President added:

> *Private enterprise is ceasing to be private and is becoming a cluster of private collectives; masking itself as a system of free enterprise after the American model, it is in fact becoming a concealed cartel system after the European model . . .*

Perhaps the most astonishing statement of the revolution effected by the masters of capital in our century is that made by U.S. Senator Joseph O'Mahoney, who has for years headed a committee investigating monopoly. Writing in *Dun's Review* in April, 1946, a publication of Dun and Bradstreet, Inc., Senator O'Mahoney reported that the pseudo-defenders of private enterprise are themselves the destroyers of what they pretend

to defend, and that continuance of this course poses the issue of democracy or dictatorship. As organizers of corporation collectives that destroy private enterprise their power and sovereignty extend over many states and they govern the lives of hundreds of thousands of workers:

> *It is absurd, for example, to think of General Motors or United States Steel as an example of free private enterprise. They are collectivist enterprises consisting of hundreds of thousands of stockholders and hundreds of thousands of workers. They are collectivist economic States which exercise an influence upon the welfare of all the people and which are far beyond the powers of cities and counties and States to regulate in the public interest as is the airplane that hops from New York to San Francisco through the atmosphere.*

State and Federal Control

These economic goliaths are bringing an economic absolutism which breeds totalitarianism, the Senator contends, and totalitarianism "is the application to the State of the factory system of control from the top." The control of the economy by a few cannot be conceded, as the national economy belongs to all of us and the protest against big government ignores the fact that big government did not begin "until business had outgrown the jurisdiction of little and local government." Moreover, "when modern industrial organization became so great that it spanned the nation, when modern management, from central offices, began to direct the labor of thousands of workers and the dollars of thousands of stockholders" Congress set up boards and commissions so "the political structure is the outgrowth of the economic structure and one cannot be separated from the other."

Here it is important to recall an important fact. The corporations and their attorneys striving to revive the old dogma of states' rights and to place trade unions, labor and social legislation under the jurisdiction of forty-eight states, are heirs of the corporations which a half-century ago fought state jurisdic-

tion and demanded federal jurisdiction over matters that affected them. The notorious "right to work" laws of some states are examples of big corporate power trying to divide the labor unions into forty-eight giants. Corporation attorneys spent many years before federal courts in a fight to relieve their clients of state jurisdiction. Courts had told them that they must look to the states when seeking legislation.

Charles A. Beard, in his *Basic History of the United States,* declared:

> *Under the Constitution of the United States as it stood in 1860, the ownership of property and the conduct of industrial enterprises were wholly within the authority of the several states, except insofar as interstate and foreign commerce were involved. Each state by law defined property for itself and determined what should be the limits imposed on the use of property. The power to charter corporations and control their management also belonged to the states. Therefore, capitalists, corporations, and other industrial concerns had grounds, real or imaginary, for complaining against state laws and the actions of state officials had to resort, as a rule, to state legislatures and state courts for relief. Only in a narrow range of cases could the federal courts accept appeals, intervene on their behalf, and afford them protection. But in 1868 the Fourteenth Amendment became a part of the Federal Constitution. Henceforward the ultimate protection of life, liberty, property, privileges, and immunities was to be a function of the federal judiciary, with the United States Supreme Court as the final tribunal of appeal.*

Contrast that fight by corporations to escape from the jurisdiction of 48 legislatures with the fight by big business and its politicians to place trade unions, labor and social legislation under the jurisdiction of 48 states. Their early fight *against* state jurisdiction and their present fight for the state jurisdiction has a common explanation. Each policy has served the material interests of powerful exploiters of labor. They were opposed to states' rights when this dogma hurt them, they are for states' rights now when the dogma hurts labor.

Our reigning monarchs of capital and finance are repeating

the course taken by the owners of great estates, and of white and black workers before the Civil War. In the convention that founded our republic they were for lodging national power in the Constitution to support their material interests. They fought for three clauses to effect this: Section 3 of Article I granted them the right to add to the number of free persons in each state three-fifths of the slaves in apportioning representation in Congress; Section 9 of Article I guaranteed the importation of slaves and indentured whites to the year 1808; Section 3 of Article IV guaranteed the return of such slaves and whites who escaped into other states. Here national power was granted to the masters of the slave economy. It served their material interests and ignored states' rights.

The Control of Enterprise

Despite these welfare clauses for the Southern ruling class its slave economy could not keep pace with the development of Northern capitalism. Its national power was declining, so while insisting on retaining its three-fold Federal advantages it also took refuge in the dogma of states' rights in the last three decades of its rule. In the name of state sovereignty the Southern ruling class fought to perpetuate its exploitation of black and white labor.

The Republican Party, heir of the Federalist and Whig parties, followed these parties in opposing the states' rights dogma into the period of the Great Depression. Since then it has joined the Southern Dixiecrats in worshipping at the shrine of state sovereignty because this policy serves the material interests of the masters of big finance and industry. With the development of big business in the South a united political front of big business in the North and South is emerging in the name of states' rights which is only a mask concealing the material interests of the enemies of labor in both sections.

Returning to the consideration of corporation collectives it is obvious that they represent the destruction of private enterprise. The latter really passed out as representative of the American economy in the first decade of our century. It now sur-

vives as insignificant little ventures living in a precarious existence. The private enterpriser owning a business employing a hundred or two hundred workers personally knew his employees. As owner-manager he addressed employees by their first names and often took a personal interest in their families. Today the masters of big business are workless absentees and most of them never see the enterprises they control. Instead of the single private enterpriser of the old capitalism, the modern corporation is divided roughly into three groups: one group owns without controlling, a second group controls without owning, and a third group neither owns nor control. As Paul Meadows wrote in *The Culture of Industrial Man:*

> *The traditional logic of property—control over its uses by its owner—was made impossible by multiple ownership, dispersed geographically and numerically. The capital holder, that is, the stockholder, became an absentee owner, his affairs delegated to another group of persons, 'the management,' who stand in a loosely regulated fiduciary relationship to him. With the corporate severance of control and ownership both the unity of property and the motivation of ownership have gone with the wind.*

People's Capitalism as Feudalism

This monstrous overlordship by corporation collectives, with its subordination of other layers of the economy, its exploitation of wage workers, working farmers and dependents in the professions, constitutes a new feudalism, yet there are those who adore it as a People's Capitalism. The phrase reminds us that the Russian dictatorship extols its brutalitarian regime as a People's Democracy while the Chinese Communists advertise their terror as a People's Republic. Every ruling class in history has sold, or tried to sell, its mode of exploitation, to the masses in terms of popular will. Our corporation rule and Communist and Fascist regimes follow the same course.

Earlier ruling cliques so administered their power that they drugged millions into submission. It was no unusual thing for nobles owning vast estates in the feudal age to grant small al-

lotments of land to some favored serfs who raised foodstuffs for their own consumption while they worked long hours as packhorses for their exploiters. Such serfs felt that they had a stake in the social order and were inclined to discourage any movements to release all serfs from exploitation. American owners of slaves often followed a similar policy. Small plots of land were assigned by some masters to slave families who raised a pig or two and cultivated foodstuffs which they were permitted to add to the daily ration and sell any surplus in the nearest town market. The slaves so favored thought they shared ownership in the slave economy and tended to become reconciled to their servitude.

Ulrich Bonnel Phillips in his scholarly work, *American Negro Slavery,* mentions a South Carolina owner of four or five plantations. "The cotton crop was the master's," he writes, "while the hogs, corn and other produce belonged to the slaves for their sustenance and the sale of any surplus." This was an interesting development of what our present worshippers of private enterprise might well call a "People's Slavery." Something similar to company unionism also emerged out of this paternalism when Jefferson Davis and his brother, Joseph, permitted self-government on their Mississippi plantations. The slaves were "not only encouraged to earn money for themselves," Phillips declares, "but the discipline of the plantations was vested in courts composed wholly of slaves, proceeding formally and imposing penalties to be inflicted by slave constables except when the master intervened with his power of pardon."

Returning to a consideration of corporate capitalism, it is necessary to emphasize that ownership of stock in a big enterprise is more important for its masters than for the petty investors. Stockholders do not control and they are themselves generally controlled by top magnates. Moreover, there is much fraud in stock sales in which buyers are swindled; while the Securities and Exchange Commission reports such swindles that come to its attention, it can only scratch the surface. It also warns that it never guarantees that any stock is worth the paper on which it is written. Finally, during a great depression bil-

lions of dollars in stock values vanish and millions of gullible people are stripped of all their savings. When the Russian dictatorship confiscates hundreds of millions of rubles in government securities our moralists are horrified, but when our business corporations rob investors of their stock values tranquilizers are served wholesale by the same moralists. In this field the ethical judgments of the Russian and American ruling classes are the same.

The Emergence of the Welfare State

Out of this menacing giant capitalism has emerged the theory of Welfare Capitalism vs. the Welfare State, that is, that our corporation barons should take over social welfare measures and transform society into a benevolent feudalism. Who is to control the corporation controllers and what is to become of democracy is not indicated. The Founding Fathers accepted James Harrington's dictum that power always follows property, and that those who own the chief types of property have social powers over others. With control divorced from ownership in the corporate business structure the giant corporation becomes an *imperium in imperio,* a state within the state. T. K. Quinn, once high in the General Electric empire, resigned from his position in 1948. Fearful of the menace to human freedom by the dominion of the giants he has devoted his time to warning the people of the danger, pointing out that in 1929 there were only twenty corporations with a billion dollars in gross assets while twenty years later there were 48. (In 1957 the number was nearly 100.)

Quinn said in 1948, "We now have a billionaire private 'economic state' for every political state in the Union. . . . The monsters continue to swell alarmingly in power and number and their existence and methods are as constant a threat to everything we hold dear as would be ever-present herds of tigers and elephants." The author added that these corporate empires are "leading our country ..... to a brand of totalitarianism which is a perversion as far from individualism, civil liberties and the democratic process as Russian Communism."

In short, American capitalism has produced a corporate undemocratic collectivism under which private enterprise is disappearing. This collectivism cannot be replaced by the private enterprise of the nineteenth century. We cannot move backward; we must move forward to a higher cooperation that will be democratic and will serve the welfare of all. The powerful destroyers of private enterprise, a small minority of the population, replaced the private enterprisers and the destroyers must now be replaced by a democratic majority of the people.

The Change to 'Free Enterprise'

It should be noted that the propagandists of our reigning corporation masters themselves unwittingly admit that the old private capitalism is dead or dying. Knowing what has happened and is happening to private enterprise they no longer refer to the economy as "private enterprise"; they now call it "free enterprise." Free for them but not for those who are being crushed by the giants. Interlocking directorates of great banks and industrial empires, mergers added to mergers of mergers, great investments in plants and banks on other continents—this corporate feudalism is becoming more and more international and a menace to the freedom of the American people. Political and cultural democracy cannot survive if collectivism continues in its corporation form. Its masters fear those below them in the social and economic layers and every ruling class in history possessed of this fear has sought refuge in some form of oligarchy.

Already propagandists of corporate capitalism attack democracy. They assert that our social order is a republic, not a democracy. We reply that, despite faults typical of all institutions in evolution, our society is both a republic and a democracy. We would abandon neither but there are those who would destroy both, just as they are destroying the private enterprise which they pretend to venerate. The destroyers of what is good for mankind are not the Socialists, the Social Democrats, the New Dealers, the Farmer-Laborites or the Trade Unionists; no, the destroyers are the magnates of the corporate feudalism that today dominates the American economy.

The Trade Union Influence

ONE ENCOURAGING ASPECT of the rise of this new-style feudalism is the new and more powerful trade unions whose programs within each great feudal holding have arrested the advance toward complete corporation domination of American life. Supplementing this democratic force has been the development of a social and cooperative ideology on the part of working farmers that make them important allies in the struggle to prevent the triumph of the new feudalism. Thanks to his intelligent organization and legislative measures of the New Deal era, the working farmer has made important advances in his standard of living compared with the Starving Time of his ancestors in the eighties and nineties of the last century. The old individualistic narcotic that numbed his thinking, as it did many urban workers before the Great Depression, no longer afflicts the thinking and action of many dirt farmers. This narcotic is still served to both wage worker and working farmer by their quack doctors but it has lost most of its potency.

The wage worker and the working farmer have common interests, for the new-style feudalism threatens the welfare of both. Both have had to fight urban exploiters for more than a century to obtain a higher standard of living. The wage worker lives by the sale of labor power to those who own the opportunities of employment. Whether the law says labor power is a commodity or not, the economic situation of the workman fixes that power as a commodity, and economics is primary in determining status in industry and agriculture.

Unlike any other commodity, labor power cannot be weighed and sold by the pound; it cannot be measured and sold by length; it cannot be measured and sold by its bulk. Therefore,

the wage worker cannot wrap up his labor power, sell it on the market, and then go home. Unlike sellers of other commodities, when the workman sells his labor power he goes with the sale. That is, he sells himself. When he finds no buyer this failure means disaster for him and his family. He is a prisoner of economic compulsion and the only way he can counteract this fatal law of modern industry is by the organization of wage workers into Trade Unions. It is either organization or servitude for all who sell labor power.

The Anti-Union Drive

It is, therefore, a striking fact that for a century and a half some powerful employers have fought to prevent organization of Trade Unions and to destroy those that survived opposition. The first attack was made on two grounds: the Trade Union was indicted as a conspiracy under the common law and as a dangerous "foreign importation." The common law itself was an importation from England, a fact that reveals the hypocrisy of the employer attack. For nearly forty years trade union leaders were fined or jailed, or both, before the Trade Union won a legal status. However, the doctrine of conspiracy was shifted to other grounds and in 1915 the U.S. Supreme Court awarded three-fold damages against the Danbury Hatters. The homes and savings of hatters were endangered and saved only by contributions of many unions.

The company union was another attack on the Trade Unions. This was compulsory "unionism," compounded of spies, bosses, ex-convicts, tear gas, clubs and propaganda. Powerful employers denied workers the right to organize. The "American Plan" and the "yellow dog" contract, in which workers signed away their right to organize, became general after the First World War. Soldiers who risked health and life abroad were informed by arrogant stuffed shirts that the only unionism for them was compulsory unionism.

The struggle for free organization continued; corporation-controlled unionism was defeated during the Second World

War. Free unionism won its Magna Carta in a New Deal Act. It grew with seven-league boots but again the returning soldier and his civilian brother face an enormous dollarized power determined to crush Trade Unions. Its plan is to cut the unions up into 48 segments while the corporations continue as nation-wide organizations. And this low cunning is called the "The Right-to-Work" law!

The Right-to-Work Laws

The right to work? For whom? This crusade of the old corporation-union employers is the lowest they have descended in sanctimonious deceit since their ancestors branded unionism as a "foreign importation." No "right-to-work" law in any state guarantees any human being a job. All that such legislation guarantees is the right of employers to hire and fire without any effective organized power by workers to resist employer dictatorship. This exclusive right to hire and fire does not differ from the power to hire and fire exercised by the Russian dictatorship.

A few elementary facts support this view. If the employer discharges a worker for any reason the law makes no provision for another job. The law does not protect one from losing a job. In states where the law prevails some employers advertise an age limit for employment, thus barring all workers over 35 or 40 from employment. In a general nation-wide depression the "right-to-work" laws are revealed for what they really are—notorious swindles that mock the misery of millions of working men and women. The swindle is already evident in right-to-work states that have depressed areas of unemployment, for no attempt has been made in those states to provide work for the jobless.

Capitalist "right-to-work" laws permit a member of the Chamber of Commerce to say to the worker: "I have a right to belong to the Chamber but if you want to work for me you have no right to belong to a trade union." Then there is the American Bar Association. It has many members sympathetic

with labor and others who accept the ideology of "right to work" laws despite the fact that the Bar Association is itself a closed union shop. No person can practice law who is not a member of the Bar and no member can practice if his dues are unpaid. In March, 1955, one lawyer was jailed in San Francisco for attempting to practice law after failure to pay his dues.

Imagine the storm of protest if one state were to enact a law compelling all workers to join a union? In 1956, 24 states had laws compelling lawyers to pay dues to their union but not one state requires workers to belong to a union; in 17 "right to-work" states unions and employers were prohibited from negotiating union shop agreements. Furthermore, in that same year, the Wisconsin Supreme Court ordered a union shop for all lawyers in the state. Almost without exception, the legislators who draft "right-to-work" laws are members of the closed union shop for lawyers. In fact, 12 of the 17 states that forbid the union shop for workers have statutes requiring the union shop for lawyers.

The fraudulent character of the pretense of "freeing" workers from "labor bosses" is also evident in insistence on a "free market" in which to sell labor power. For more than a century top labor exploiters and their politicians have insisted on a government-protected market for their products by high tariff duties while they imported peasants from Europe to glut the "free labor" market and so kept the wage level low. This hypocrisy was especially glaring during the period of despotic company unionism. Government protection for big capital, no protection for wage workers. That is still the policy of the "right-to-work" frauds. It compels the individual worker to bargain with the giant corporation in the name of "freedom." This is like requiring the featherweight to enter the prize ring with the heavyweight in the name of "equality of opportunity" for both.

The American Farmer

THE PROBLEMS OF THE WAGE worker are simple compared with the complexities that face the working farmer. He, too, is the victim of exploitation and deceit. His place in agriculture varies widely. His economy is divided into various segments, cotton, tobacco, wheat, corn, oats, barley, ranching, dairying, fruits and vegetables, to mention a few. He also faces risks unknown to urban labor, uncertain seasons, drought, hail, floods, pests, soil exhaustion and erosion, and uncertain markets. The labor force also lacks the uniform solidarity of the urban wage worker. It includes the working farmer, the tenant, the sharecropper, the wage laborer, the seasonal itinerant, and the contract laborer of Mexico. Because of these diversities an agricultural program must vary somewhat from region to region. However, there are some things common to the industrial and agricultural worker. The urban worker must obtain a substantial wage if he is to buy products of the farm, and the higher his wage the more he can buy. The working farmer must have a substantial price for his products if he is to buy industrial products, and the more he earns the more he can buy. Therefore, the interest of the rural and urban worker is largely similar.

However, an increase in production by rural and urban labor does not automatically bring an increase in income for either or both unless both are strongly organized. In fact, increase of production by both may, and often does, bring enormous surpluses so that the farmer cannot buy what the city worker produces and the city worker cannot buy what the farmer produces. In each case it is not a production in excess of human

need but production in excess of purchasing power. And that is the tragic contradiction of the American economy.

Ralph Turner, noted economic historian, stresses this dilemma of urban and rural workers. Dr. Turner says: "The agricultural surplus and the labor surplus root in the same fundamental circumstances—that individual effort alone is no longer sufficient to achieve economic well-being. ... These surpluses, like the goods said to be overproduced in manufacturing, are in many instances only supplies of goods that cannot be sold in the market at a profit. They are market, not consumers' surpluses; that is, they exist mainly because there is some demand which, because of a lack of purchasing power, cannot become active."

We may add, when markets accumulate goods that cannot be bought, although millions of people need them, industry and agriculture are paralyzed. The farmers have products which they cannot sell and industrial firms have commodities which workers cannot buy. Farmers want products of industry and urban workers want products of the farmers, but both are denied what they want because the economy of capitalism does not assure farmers and workers the finances to buy what each wants. Absurdity is piled on absurdity. What should be a blessing becomes a curse.

The industrial worker does not have the product he produces but the farmer does. But possession of his produce does not help him. It mocks him. He cannot afford to give it to those who need it because he must sell it if he is to buy some of the industrial surplus. And there are few to buy.

What happens? As he cannot afford to give and as he cannot sell, the farmer burns his corn and wheat for fuel. This is rational conduct under an irrational economy. He so acted on his own initiative in the eighties and nineties and again in the twenties of our century. Plowing under crops is also rational. That is, when production becomes excessive destruction is necessary. Why? Because price is too low and when it sinks the farmer sinks.

Government policy then turns to price control. If price con-

trol brings rising prices, farmers naturally increase production to obtain a higher income. Increased production means surpluses and declining prices. So production itself must be controlled. Despite price and production controls the working farmer's standard of living declines and he notes that while he gets little or nothing for his produce those who buy his produce pay an increasing price for it. An example: In the Southwest, grapefruit cultivators often cannot get a price that will pay costs of production. The fruit rots but urbanites pay twenty cents a glass for grapefruit juice. While politicians talk of parity this disparity is typical of many crops.

The Rise of the Corporate Farm

Another aspect of the agricultural revolution is the rise of the corporation giant. This dinosaur is doing to the small working farmer what the industrial dinosaur is doing to the small business: the weak in both economic sectors are being crushed. Corporate feudalism is coming to rule useful workers in rural and urban life. To divert attention from the danger of big multi-billion corporations the latter's politicians and editors direct our attention to big government. Big government would not exist were it not for the rise of the dinosaurs. We need federal power to check, disarm, and control the giants before they reduce us to a new serfdom. Exploiters know this and for that reason their retainers urge the virtues of "states' rights," well knowing that all experience reveals that 48 states cannot effectively deal with corporations that are national and international. As we said above, corporations were once subjected to 48 jurisdictions, they denounced "states' rights" and praised the Federal jurisdiction which they now denounce. Having used Federal jurisdiction to consolidate their power they do not want the disinherited to use Federal jurisdiction to serve our welfare.

The corporation farm brings collectivism to rural life but, like the industrial corporation, it is undemocratic and threatens a new feudalism. Reviewing a book suggestive of this, Adolf A. Berle, Jr. wrote: "The corporation heads are the real Lords

Temporal of the present American phase. They administer, and often really control, enormous power organizations eclipsing feudal dukedoms. They effortlessly become Cabinet officers in Washington." He added that they will either become our public servants or our masters.

Challenging this feudalism are the farmer cooperatives that have developed extensively in the past two decades. Marketing and purchasing cooperatives are expanding on a large scale, while joint activity of farmers and city workers has produced local, regional and national cooperative purchasing associations to serve consumers in cities as well as on the farm. Farmers and city people have also united in a nation-wide cooperative purchasing association, National Cooperatives, Inc., and in 1940 it acted for nearly a million farm and city consumers in 26 states and for a like number in Canada.

Originally formed to pool petroleum orders, National Cooperatives at first limited purchases to gasoline, grease, kerosene, and lubricating oil, then expanded to include many other items to serve rural and urban residents, including automobile tires and accessories, radios, household electrical equipment, uniforms for cooperatives' employes, binder twine, farm tillage machinery, and farm tractors.

However, just as our medieval employers seek to destroy trade unions by legislation, similar enmity has been mobilized against the whole cooperative movement. A decade ago a heavy barrage of proposed "death taxes" was beaten off. A similar drive to destroy British cooperatives occurred in the thirties. The Conservatives ruled Parliament and also resorted to "death taxes" to kill cooperatives. The Plymouth Society was at one time charged with $100,000 excess profits duty but the government was defeated in the courts. Facing continued assaults the cooperatives were driven to independent politics. They cooperated with the Labor Party, shared in its victories, and thus assured protection for democratic collectivism in Britain.

British Trade Unions also faced hostile legislation. The Liberal Party won in 1906 after two decades of Conservative rule during which a railroad union was assessed nearly $250,000

damages following a strike. The unions had organized the Labor Party and in 1906 it had 900,000 members and 29 members in Parliament. Labor won two more seats in 1907. In 1908 Lloyd George made his famous budget speech in which he declared for measures our "right-thinkers" call "creeping socialism." The House approved the budget but the Lords rejected it. Parliament was dissolved and the new election approved the program. The Lords yielded, but too late. In 1911 Parliament deprived the Lords of the power to thwart the popular will. Since then "creeping socialism" has been approved by every British administration, including the Conservatives, while the Cooperatives and Trade Unions have not been menaced by hostile legislation. The political carriers of the interests of American corporations have tried and still try to weaken or destroy Cooperatives and Trade Unions. Will our unions and co-ops repeat the political history of Great Britain?

Toward Political Democracy

IF THE FORCES of agricultural and industrial democracy decide to establish their own party they will face a two-party barrier unknown to the British. Legislation by both parties in practically every state has made it almost impossible for an independent party to organize. Russia has a state-kept party and a party-kept state. We have state-kept two-parties and two-party-kept states. Both systems exclude rival parties and practically compel activity and voting within the state-kept political organizations. State-kept parties are no more democratic than state-kept churches. State-kept churches were abolished here more than a century ago. State-kept parties should also be abolished.

Every organization believing in democracy should join in a crusade to repeal such undemocratic legislation. Whether we favor independent party organization or oppose it, whether we desire to support candidates of a major party or not, all who believe in democratic process should oppose the legalized monopoly enjoyed by the state-kept two-party system which helps to stifle independent thinking and makes a mockery of political democracy. Trade unions, farmers' organizations and cooperatives have a special interest in this crusade, since too often each major party nominates one or more reactionary candidates for the same office, knowing that independent nominations are difficult, or even impossible.

Moreover, the long fight for complete civil rights for all citizens will be strengthened by abolishing the two-party, state-kept system. Our Negro fellow citizens have been special victims of every anti-democratic custom and law. Moreover, their white brothers have a lower standard of living in the South than in the North. This was true in the days of chattel slavery when

master trained slaves to be mechanics, which kept white living standards near the level of the slave standard. Since the Civil War the lower level of Negro wage and work has also helped to pull down the white standard of wage and work. Slave owners, and many modern employers in the South, aware of this economic law, have fostered anti-Negro prejudice. Justice for our Negro citizens, therefore, also means a higher living standard for both black and white workers. Those who profit from discrimination against Negro citizens are not white workers but the aristocracy of ruling employers and their politicians who exploit and deceive both whites and blacks.

It is apparent to all intelligent observers that the current revolution in industry and agriculture which, through concentration of capital and finance, the rise of automation and the division of society into antagonistic classes, has also registered in the ruling two political parties. Both are sick organizations, both have antagonistic factions, both survive only through unstable compromises that do not conceal the factional wounds. The ruling Dixiecracy of the South has more in common with the isolationist anti-labor Republicans of the Middle West than it has with the Democrats of the North. The chasm that divides Democrats is striking when Senator Eastland of Mississippi is compared with Senator Douglas of Illinois. The Republicans of the South reveal a similar contrast with many of that party in the North. The Second Industrial Revolution with its new interests and new problems is shattering the solidarity of the ruling parties. The Republican Party is the carrier of the interests of Northern corporation giantism and as this giantism spreads through the South the GOP wins the affection of Dixiecrats. The grandsons of slave owners make common cause with the grandsons of the old Lincoln ideology against the workers, black and white, of both sections.

As this solidarity of ruling exploiters, North and South, grows the GOP surrenders its nationalist ideology to the states' rights dogma of its Southern ally, a dogma that served owners of chattel slaves. The effort to enforce a mild civil rights law in the Fall of 1957 was answered in the South by raising the states'

rights fetish to which President Eisenhower himself had paid homage in public addresses and official papers for more than five years.

If the President surrendered to this dangerous doctrine the reigning oligarchs of the South forgot their own history. During the Civil War states' rights was invoked in every Confederate State with overwhelming disaster. Pompous governors stressed the dogma and were generally supported by their legislatures. President Jefferson Davis was a pathetic figure—his hands tied while his central government crumbled before his eyes. There does not seem to be anything of importance which the Confederate Government attempted to do, including taxation, conscription, command of military forces, regulating trade and commerce, and clothing the soldiers, that the states did not attempt to do, and in doing it paralyzed the central authority. The Confederacy was defeated by the fetish of states' rights long before Lee surrendered to Grant at Appomattox. Our Northern and Southern states' righters remind us of the adage that one thing we learn from history is that we do not learn from history.

Presenting Some Truths

The states' rights dogma is current opium to dull the thinking of the masses, North and South. Supplementing this subtle coercion of the mass mind are radio, television, and the giant magazines, enjoying enormously costly advertising and multimillion circulations. The organizations of democracy face a big disadvantage in competing with these powerful propaganda media but they also have one asset not possessed by our reigning corporation chiefs—the truth.

We do not exaggerate. Mentally retarded in economic history and the social sciences the output of the Madison Avenue agents of corporate capitalism is appalling. The same is to be said of their employers, whose material interests are served by this propaganda. Genuine research and scholarship are banished. The quack, the vulgarian and the charlatan find lucra-

tive jobs in this hire learning. The degradation of the bourgeois mind is completed at the very time when a world in convulsions requires maturity in the politician, the statesman, and the publicist.

We cannot present the whole case in this brochure, since the rotting of intellect penetrates every cultural phase of American life. The disease is not universal but it is extensive and may be arrested in time. However, interpretation of our history is infantile and in the hands of our ruling business ideologists. Fiction, myth and falsehood are so served that one gets the impression that throughout the colonial period to the present, ours has been a saintly nation presenting "a way of life" devoted to freedom and democracy. This is the cult of our ruling ideology today. Such history is one-sided because it conceals the shady side of our past.

This concealment glorifies business initiative and enterprise in terms of ethics, sacrifice and nobility. The fact is, of course, business enterprise in the form of commercial monopolies was given vast land areas like Virginia, Pennsylvania, etc., to exploit and rule. They were welfare states for privileged speculators and investors. They were also given charters to raid Africa for Negro labor and Europe for white labor to be sold in the colonies. Advocates of initiative and enterprise also had convicts and political prisoners transported to Virginia and Maryland as laborers to build highways. Business enterprise engaged in the slave trade in whites and blacks in overcrowded ships, where thousands died of malnutrition, scurvy, smallpox, dysentery and brutal beatings. Survivors were sold to business men, the whites into limited servitude, the blacks into unlimited slavery. Colonies controlled by business men enacted fugitive laws to recover whites and blacks escaping across colonial borders. Business men traded with pirates whose goods were spattered with the blood of their victims. Pirates who retired from their infamous business became respected pillars of society among the business men who had traded with them. Huge land estates were given to business men in the Hudson and Mohawk valleys and in Virginia, Maryland, Pennsylvania and other colonies. Business

men as speculators were favored with large land grants by colonial legislators and pioneer settlers were often swindled out of their clearings by these exploiters. Land policies from the period of early settlements assured workless owners of the power to exploit landless workers. Land corporations expanded their holdings westward during and after the American revolution. All this constituted colonial welfare states for various types of favored property owners who exploited disfranchised and disorganized workers. In the meantime, property qualifications for the suffrage excluded most rural and urban workers from voting and holding office. The welfare state for the "best people" was the rule in the colonial period.

The Welfare State of the Rich

The American Revolution made some minor changes in favor of democracy but on the whole welfare statism for favored property groups continued although manhood suffrage was not yielded by ruling cliques until about forty years after the adoption of the Constitution. Business enterprise in manufacturing sent thousands of petitions to Congress for protective tariffs, bounties and other government favors. As they pleaded for government alms, they sought government power against trade unions through the courts while these same business men in their New England mill villages administered feudal powers over men, women and children of the working class. Hours of labor were 13 and 14, "from sun-up to sun-dawn," while the religious, educational and social life of the workers was regulated by the new type of exploiters. This mill feudalism was repeated in the South for decades after the Civil War; the surplus wealth sweated from wage workers, added to the surplus values extracted from Negro slaves, provided the capital for the industries of the South.

Indeed, every form of influential property through the colonial period to the present found satisfaction in legislative nursing, each form enjoying the services of a Welfare State. In fact, the eminent fathers of the nation accepted this course as a

philosophy. John Adams, Alexander Hamilton, James Madison and others based their thinking on the philosophy that changing forms of property and struggles over property were the main stakes in political struggles. Daniel Webster, John C. Calhoun and other politicians and statesmen boldly expounded the same thesis. The assumption that religious piety was primary throughout our history is untrue. Religion and religious struggles, of course, were factors but they were not primary. Property, its accumulation and its protection by government was, and it remains, the stake in political and economic struggles. Openly declared in the period before adult suffrage it is now generally concealed by representatives of upper class welfare states. Social Democrats, Trade Unionists, Populists, and Farmer-Laborites were not the first to announce this philosophy of history. They have only accepted what early American politicians and statesmen recorded in their speeches and writings, available to all in our public libraries. The angelic interpretation of our past is phantom history and because it is unreal it makes intelligent thinking regarding our politics and problems difficult and, too often, impossible.

The record of welfarism for upper classes continued after the rise of a manufacturing class which demanded and received tariff alms and other tax favors from the state and local authorities. Following the destruction of the southern system northern capitalism ruled supreme in the two administrations of President Grant. Every notable historian of that period has told the amazing story of the new Welfare State for the reigning owners of capital and finance. No longer required to share power with owners of plantation capital Federal power was employed in tossing the natural riches of the nation into the hands of manufacturers, bankers, speculators, gamblers, grafters, politicians and favorites of the administration. Empires of land were given away. Gold, silver, lead, stone, timber, coal, oil and other resources passed into the hands of favorite welfarists. Corruption and graft on an enormous scale tainted the two houses of Congress, the filthy sewage flowing into the President's Cabinet and smearing some of his intimate friends. Hack pol-

iticians, vulgarians with itching palms, and get-rich-quick adventurers wriggled their way up to vast riches to become known in history as the Robber Barons.

The Impact of Early Welfarism

As this foul mess became a sad memory for those who lived through it, the first decade of our century repeated some of its phrases. Conscientious journalists—the Muckrakers—probed various industries, insurance companies, railroads and legislative bodies and revealed the intimate ties of politicians and parties with legislative bodies. Owners of big capital continued to enjoy a Welfare State while the masses were drugged into submission by agents of their despoilers. Indeed, some parvenu millionaires bought seats in the U.S. Senate and that body became known as The Rich Man's Club.

Business enterprise also reigned throughout the Harding-Coolidge administrations, dirty corruption in the Harding era rising like the sewage from a broken tunnel to spatter high officials, including the Attorney General, the Secretary of the Navy, the Secretary of the Interior, the Director of the Veterans Bureau and the Alien Property Custodian. The old pattern of welfarism for gentlemen already swollen with enormous wealth emerged. A few agents of business enterprise were sent to prison but much of the loot, like that of Teapot Dome, remained in the custody of favored enterprisers. The GOP, after years of isolation from power, returned with a teapot on its dome in 1952 and in the name of a "great crusade" brought multimillionaire enterprisers to fill Federal posts and thus directly to correlate corporate giantism with upper class welfarism. With this regime arose an almost religious worship of the higher Babbitts ruling corporate empires. Industrial plants built for war by the nation passed into the hands of big business tycoons for a song. Power sites and other national resources were pillaged with the aid of the administration. Constituting a super-Welfare State for the reigning monarchs of capital it was called by its sponsors "government partnership with private enter-

prise." Small businesses, smothered by the giants, withered and died by the thousands.

This undemocratic corporation collectivism, as we have seen, has its origin in land conquests, piracy, and the slave trade in white and black workers. It has revealed various forms of human servitude—slavery, serfdom, peonage, redemptioner and indentured bondage. Great fortunes emerged from these systems but no billionaires until our time. Human exploitation has been tremendous. A British author, T. J. Dunning, in his *Trades Unions and Strikes,* (London, 1860) aptly described the avarice of the exploiters over the centuries when he wrote: "With adequate profit, capital is very bold. A certain 10 per cent will insure its employment anywhere, 20 per cent will produce eagerness; 50 per cent, positive audacity; 100 per cent will make it trample on all human laws; 300 per cent, and there is no crime at which it will not scruple, nor a risk it will not run, even to the chance of its owner being hanged. If turbulence and strife will bring a profit, it will freely encourage both. Smuggling and the slave trade have amply proved all that is here stated."

The above indictment of business over the centuries does not apply to the small enterpriser who has generally been the victim of big business in every age. The little man in industry, agriculture, trade and finance has never formulated the low business codes of his time. These codes emerge out of the practices of big enterprisers. The little man has often been compelled to observe these codes to avoid the penalty of defeat but he has never been a leader in establishing low practices. Top enterprisers and "pillars of society" bear responsibility for the low cunning and measureless avarice of business in every age.

A few powerful trade unions have been affected by amoral business practices. A few leaders have transformed unions into private business enterprises with business avarice and corruption emerging as a result. They were excluded from the AFL-CIO; such unions should really affilliate with the U.S. Chamber of Commerce as business enterprises. This infiltration of a few unions by top business ideology is further evidence of its debasing influence on human beings and the AFL-CIO is to be congratulated for its firmness in fighting the disease.

The New Beginning

LITTLE NEED BE SAID of our record in opposing Communism but there are agents of reaction who contend that the Socialist movement is akin to Communism. They follow the course of Lenin, who declared that it is permissible to conceal the truth and lie about opponents. Our opponents, therefore, are not averse to adopting Lenin's low cunning. The fact is that from the time that Communists destroyed the democratic republic of Russia and established their brutal dictatorship they have fought the trade unions and the Socialist and Labor parties in all countries. They fought us and we fought back. Their weapons were infiltration, conspiracy, lying, and force to destroy the political and economic organizations of labor. Their war against us seriously weakened many labor organizations and in this way they served the interests of Labor's enemies. The butchers of Hungarian men, women and children never have been and never will be our friends and we look forward to the day when the peoples of the enslaved nations will overthrow their Communist exploiters. In doing this they will not only free themselves, they will also free the free nations of the enormous burden of armaments that are piling national debts higher each year. Moreover, the inflation trends and increasing cost of living will be reversed, the Communist noose that hangs over the uncommitted peoples of Africa and Asia will be removed, and democracy in all phases of society will have an opportunity to develop. In short, we cannot be safe and secure until the peoples under Communist dictatorship are free, safe and secure. The dictatorships rest on volcanic hate as revolts in East Germany and Hungary reveal, and it is our duty to help the rebels in every way.

Our review of the industrial revolution that has occurred in this half-century shows that the masters of the American economy have destroyed private ownership in its upper range. Undemocratic corporation collectives are transforming the rest of the economy of private enterprise. If this trend is completed a ruthless corporation feudalism will destroy the old dream of a fulfilled democracy. A democratic collectivism must replace the corporate trend. What forms it will take, what legislative measures are adapted for realizing this industrial democracy, what role politics, trade unions, farmer organizations and co-operatives should play in this social and economic transformation remains for the present generation to decide. We only state the dangerous drift, the problem and the aim. The program must be worked out by those who approve the equity, the justice and the freedom of which Social Democracy is the carrier.

Like the old planter-slave aristocracy our capitalistic snobocracy assumes that its social order is eternal. A cult of uniformity of opinion was enforced by the old ruling planter class. A critical view of slavery was considered "too controversial." Thinking had ended for the masters of the planter economy and their politicians. A similar ideology is cultivated today in defense of our corporation plutocracy, but we must think or perish.

An old generation of veteran Social Democrats is passing away and no one has yet told the story of hardships endured and sacrifices made to bring the basic reforms of the past forty years which the present generation enjoys. The torch of freedom and fundamental industrial democracy is slipping from the hands of the elders. The men and women of the new generation must pick it up and carry it to new heights. There is much to do and many to do it.

As the older generation responded to the tasks of an earlier day so the younger generation must respond to the tasks of today and tomorrow. Make no mistake. While the opportunities are great the dangers are menacing. The masters of a rising

corporate feudalism seek to complete dominion over all American life. If they triumph the democratic dream will perish. Already some often talk of the corporations taking over the social and labor measures we won against their opposition. Their representatives in legislative bodies seek to destroy the organized power of farmers, workers, and others working for an America of agricultural, industrial, social, political and educational democracy.

The old infantile cry of "creeping Socialism" no longer scares those who think. It was measures so denounced that brought the nation out of the despair and ruin of the Great Depression. Better the "creeping Socialism" of our time than a return to the creeping paralysis of another Great Depression. And do not forget that it was not the first collapse. American capitalism has brought a depression on an average of every fifteen years since the first one in 1837. That is a terrible record of repeated failures. Is there another creeping paralysis ahead? That is possible, since capitalism is the carrier of this periodical disease. Over many centuries the underlying population of the underprivileged have had to fight to break the fetters of some form of bondage. Each age has had a New Beginning in this long human struggle. We face another New Beginning. As a great Frenchman once said, "The stairway of time ever echoes with the wooden shoe going up and the polished boot coming down."

The mediocre representatives of the higher capitalism will say that we are revolutionaries. So they charged the veterans now retiring from the struggle. The real revolutionaries are those who are destroying the private enterprise which they glorify. The accusers are guilty of what they accuse others.

What are we Social Democrats? We are both Conservatives and Radicals. We would conserve what is good and eliminate what is bad. Our opponents would perpetuate what is bad and eliminate what is good. They are the dangerous revolutionists; we are the progressive evolutionists. They are for plutocracy; we are for democracy.

Finally, the retiring veterans survived the infantile accusations of fatuous propagandists. So will the younger crusaders.

As the future was ours in the New Beginning a half-century ago, so the future belongs to the alert crusaders for Democratic Socialism today. The tasks of this New Beginning require all the knowledge, research, intelligence and idealism that can be enlisted by this generation. Let us turn to this great work with the courage shown by noble men and women in every struggle for the betterment of mankind.

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